

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
HORIZON REGIONAL M.U.D.**

A regular meeting of the Board of Directors of the Horizon Regional M.U.D. was held on Thursday April 24, 2014 at 6:00 p.m. 14100 Horizon Blvd, Horizon City, Texas, pursuant to notice given in accordance with the law.

The roll was called of the members of the board, to-wit:

Benny Davis	-	President
	-	Vice President
Bob Jarvis	-	Secretary
	-	Treasurer
Bonnie Moorhouse	-	Asst. Secretary

Director Davis called the meeting to order. A quorum was established. Also attending the meeting were the District's consultants: Severn Trent Services, General Manager Charlie McGinnis and Administrative Assistant Elvia Munoz, TRE & Associates, Inc. Linda Troncoso, and Attorney Alan Petrov. The Pledge of Allegiance was said with audience participation.

4. RECEIVE CITIZEN COMMUNICATIONS

Ex-Board Member Mr. John Navidomskis advised Board that the wells that belong to the District that are South of the freeway are full of sand. He stated that the farm he owns down in the lower the wells located close by is beginning to get a sinkhole. Director B. Davis stated he hopes we see some rain soon. Mr. Navidomskis did mention there are several sand separators. As per Engineer L. Troncoso they are adding another pre-filter. Mr. Navidomskis concludes that by looking from a distance of 14 acres looks hollow. Board Members thanked Mr. Navidomskis for his information.

5. CONSENT AGENDA.

- A: Consider and Take Action to approve the Minutes of the Regular Meeting held on March 25, 2014, Special Meeting held on April 10, 2014.
- B: Consider and Take Action to Approve the Payment of bills and Invoices for Operations and Construction: and to Approve the Transfer of Funds.
- C: Consider and Take Action to approve the Financial Statement for the Month Ending March 31, 2014.

D: Consider and Take Action on Pay Estimate No. 2 for Lift Station project for Spray Field #1.

E: Consider and Take Action on Pay Estimate No. 3 RO Concentrate pond improvements.

Motion was made by Director B. Jarvis and seconded by Director B. Moorhouse to approve the payment of bills, invoices, minutes of the regular meeting, and financial statement for the month.

Vote was unanimous to approve.

6. CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF THE DISTRICT.

Project Manager Charlie McGinnis explains the net water connections. Total active and inactive District meters for the month are: 9,864.

Averaging connections per last 3 months =19

Mr. McGinnis continues with the well pumping report: Total gallons pumped for March 2014 were 121,971,700. Wheeler Well Field capacity is at 39.47% and Desert Well Field is at 43.38 %

Waste water system report total for the month of March 2014 is 7390 and year to date net change (6month) is 113 averaging connections per last 3 months=16

Influent received in March 2014 was 69,866,900 and effluent delivery total was 46,531,700 Well Water Spray Field is 9,444,000

GLO 21,247,000 Spur 26,491,600

Total plant capacity: 3.0 MGD

Percentage of capacity: 53%

Mr. McGinnis reported to Board Members that J. Williams met with 7 customers for the month of March due to high water bills, and helped 2 customers set up for Online Payment. All complaints were resolved.

Mr. McGinnis explains that Woodale Lift Station valve needs to be changed to a different style, and influent Lift Station Gilbert from IDESaA is working on it. Director B. Jarvis asked Mr. McGinnis how the level of evaporation was. Mr. McGinnis replied it is going down and is at 1.5 MGD which is where is at right now. Director B. Jarvis also asked Mr. McGinnis on TCEQ response. Mr. McGinnis advised all Board Members that he would email all a copy. Mr. McGinnis explained that the tax collection invoice was being sent to an incorrect address but that has now been corrected. Mr. McGinnis concludes that for the month of March had 157 pages in the Web Page.

Motion made by Director B. Jarvis and was seconded by Director B. Moorhouse to approve management report and to send all 15 customers to collections.

Vote was unanimous to approve.

7. **CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF SPRAY FIELD NO 1.**

Golf Manager Jeff Gates explains to Board Members that greens are still a major concern. Mr. Gates added that some portions of greens are already dead and have not been fertilized. Mr. Gates advised Board Members that this is due to bad water some greens are completely dead. Mr. Gates also explains that revenue for the golf course was not too good due to windy days. Mr. Gates pronounced that KFOX will film sometime next week. Mr. Gates said that after the filming is done he will start asking golfers how they heard about the golf course to see if advertising is helping. Mr. Gates confirmed that swimming pool is ready. Mr. Gates explained to Board Members that the sprinklers at the volleyball court are not connected, but would have them ready and working in a week. Alejandrina Pina asked if pool pump was working and that she had also seen algae. Per Mr. Gates he explained pump is new and working fine. Director B. Davis explained that sand was going to continue many times because of sand storms. Mrs. Pina advised Board that she is having a problem with the insurance due to no diving board and 12 feet deep. Mrs. Pina has tried 2 different insurances and neither accepted Moonlight P&Q, LLC. Mr. Gates did confirm that fence was up to code. Director B. Jarvis asked if life guards would be there. Mrs. Pina said yes she would be hiring some life guards. Director B. Davis asked Mr. Gates to vacuum pool once again to give over to Mrs. Pina no later than April 25, 2014. Mr. Gates explained that after a party a light pole from the restaurant parking lot was dented and damaged badly. As per Mr. McGinnis he will call insurance to have light pole fixed. Mr. Gates advised Board that he needs 2,000 feet of cable to finish rope fence. Director B. Jarvis advised all that he was at the golf course restaurant and he overheard people at the bar saying that the greens are pretty bad. Director B. Davis also asked Jeff how long it will take for greens to get back to normal. As per Mr. Gates he said it will take a couple of months.

Motion was made by Director B. Jarvis and was seconded by Director B. Moorhouse to approve management report for Spray Field No. 1

Vote was unanimous to approve.

8. **CONSIDER AND TAKE ACTION ON PURCHASE OF STORAGE CONTAINER FOR R.O. PLANT.**

Project Manager Mr. McGinnis gave Board Members two quotes on storage container for the RO Plant. Director B. Jarvis would like one that needs no concrete slab. Engineer L. Troncoso will get with Mr. McGinnis to review plan layout of RO Plant.

Motion made by Director B. Moorhouse and was seconded by Director B. Jarvis to purchase RO storage container from Mobile Mini in the amount of \$4,650.

Vote was unanimous to approve.

9. CONSIDER AND TAKE ACTION ON I-10 WELL 7 REPAIRS.

Project Manager Mr. McGinnis asked to table this item #9.

Motion made by Director B. Jarvis and seconded by Director B. Moorhouse to table item #9.

Vote was unanimous to approve.

10. CONSIDER AND TAKE ACTION ON CHANGE ORDER #2 FOR SPRAY FIELD NO. 1 LIFT STATION AND FORCE MAIN IMPROVEMENTS. .

Engineer L. Troncoso explains that there were two overflow events and the cleaning required for the contractor to bring the project back to the original state before the event occurred. Engineer L. Troncoso also explains that the increase is due to the two different spills. Engineer L. Troncoso advised Board Members that this had to do with operations. Director B. Jarvis explained his unhappiness especially since it happened a second time. Director B. Davis asked Mr. McGinnis to ask Severn Trent Services to pay the second fee for the labor, equipment, and time associated with project flooding from overflow at the Wastewater Treatment Plant Effluent Lift Station. Total increase for the cleaning was \$29,800.00

Motion made by Director B. Jarvis and seconded by Director B. Moorhouse to take action on change order #2 for Spray Field No.1 Lift Station and force main improvements.

Vote was unanimous to approve.

11. CONSIDER AND TAKE ACTION ON CHANGE ORDER #2 FOR CONCENTRATE EVAPORATION POND IMPROVEMENTS.

Engineer L. Troncoso gave Board Members 3 copies of change order No. 1 increasing the contract amount by \$3,990.00 for the concentrate evaporation pond improvements. Ms. Troncoso explains this change order reflects the addition of two gate valves, one valve will isolate all ponds, and the other will isolate the southernmost pond. Contractor is VEMAC the description of changes is to install two new gate valves, one at Sta. 1+50 and one at Sta. 10+25 net change in contract price totals \$3,990.00. Justification – adds two additional gate valves to the new pipe installation.

Motion made by Director B. Jarvis and seconded by Director B. Moorhouse to approve change order #2 concentrate evaporation pond improvements.

Vote was unanimous to approve this item.

12. CONSIDER AND TAKE ACTION ON ENGINEERING REPORT RELATING TO CONSTRUCTION AND ENGINEERING ACTIVITIES OF THE DISTRICT.

Engineer Linda Troncoso explains that address at 14913 Horizon Blvd is still under review and the RO prefiltration system is currently under design. A water recirculation system is being evaluated at this time for the filter configuration. TRE is currently preparing the change in scope submittal to the TCEQ for additional funding for this project. Ms. Troncoso added that a certificate of substantial completion was issued on February 20, 2014. Ms. Troncoso advised Board Members that the membranes have been installed in Train B. The membranes for Train A are currently on order. Vessel leaks on Train A and B will be addressed by separate contract in late summer to take each one off line after peak season, and the permit is currently under review by TCEQ. Ms. Troncoso concludes that Spray Field No. 1 irrigation system improvements the contract was awarded on March 12, 2014 and a preconstruction meeting has been conducted and all submittals have been processed. Also a notice to proceed will be issued within the next 10 days pending temporary irrigation pumping set up.

Motion made by Director B. Jarvis and seconded by Director B. Moorhouse to approve Engineering Report.

Vote was unanimous to approve.

13. CONSIDER AND TAKE ACTION ON RESOLUTION REQUESTING AND EXTENSION OF TIME TO SELL BONDS.

Attorney A. Petrov explains that many portions of the District's bonds were sold for new projects this year. Mr. Petrov advised Board Members that interest rates improved and saved \$417,000 which is twice as good.

Motion made by Director B. Jarvis and seconded by Director B. Moorhouse requesting and extension of time to sell bonds.

Vote was unanimous to approve.

14. CONSIDER AND TAKE ACTION ON ADVERTISING FOR THE GOLF COURSE.

No action was taken for item #14.

15. CONSIDER AND TAKE ACTION ON PURCHASE OF CONTROLLERS FOR IRRIGATION SYSTEM FOR SPRAY FIELD #1.

Golf Manager Jeff Gates explains that he needs two additional controllers for irrigation system for Spray Field #1.

Motion made by Director B. Jarvis and seconded by Director B. Moorhouse to purchase controllers for irrigation system for Spray Field #1.

Vote was unanimous to approve.

16. CONSIDER AND TAKE ACTION, IF NECESSARY, RELATING TO THE LEASE WITH MOONLIGHT P&Q, LLC.

As per Alejandrina Pina from Moonlight P&Q, LLC advised Board Members that they will start construction of the Porch. Mrs. Pina explained that all material has been bought for new porch. Porch will be all wood covered with fabric and wood post. Mrs. Pina advised all that she still needs City code approval. Director B. Jarvis asked what kind of wood will be used. Mrs. Pina responded it would be red treated wood. Director B. Jarvis and Director B. Davis explained to Mrs. Pina that they needed to talk to Mr. Pina first and would discuss on next meeting of May 12, 2014. Mrs. Pina asked Board Members for 30 day warranty on the pool. Director B. Davis advised Mrs. Pina this would be discussed on Spray Field meeting on May 12, 2014.

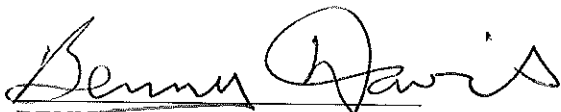
No action was taken for this item #16.

17. REPORTS AND DISCUSSION OF OTHER MATTERS THAT MAY COME BEFORE THE BOARD.

Director B. Jarvis asked Mr. McGinnis for quote prices for agenda item to purchase a sky trap. Attorney A. Petrov advised Board Members he had brought reports and will leave them with Mr. McGinnis for Board Members to review. Mr. Petrov advised all that reports are all in good shape, and nothing is owed to IRS. Director B. Davis asked Mr. McGinnis if any new applicants have been received for new Board Member. Mr. McGinnis replied no. Director B. Davis concludes that the District is happy to have saved \$417,000.

There being no further business before the Board, the meeting was upon motion made by Director B. Jarvis duly made and seconded by Director B. Moorhouse all in favor and carried, adjourned at 7:30 p.m.

READ, APPROVED, AND ADOPTED THIS 29th DAY OF MAY 2014.



BENNY DAVIS, PRESIDENT
Board of Directors
Horizon Regional M.U.D.



GORDON JARVIS, SECRETARY
Board of Directors
Horizon Regional M.U.D.

EM/CM

**ATTACHMENTS AND HANDOUTS
FOR THE BOARD OF DIRECTORS MEETING HELD April 24, 2014**

AGENDA ITEM	ATTACHMENTS AND HANDOUTS	ACTION TAKEN
4:	RECEIVE CITIZEN COMMUNICATIONS.	
5:	CONSIDER AND TAKE ACTION TO CONSENT AGENDA.	APPROVED 3-0
5A:	CONSIDER AND TAKE ACTION TO APPROVE THE MINUTES OF THE REGULAR BOARD OF DIRECTORS MEETING HELD MARCH 25, 2014, AND SPECIAL MEETING HELD ON APRIL 10, 2014.	APPROVED 3-0
5B:	CONSIDER AND TAKE ACTION TO APPROVE THE PAYMENT OF BILLS AND INVOICES FOR OPERATIONS AND CONSTRUCTION AND TO APPROVE THE TRANSFER FUNDS.	APPROVED 3-0
5C:	CONSIDER AND TAKE ACTION TO APPROVE THE FINANCIAL STATEMENTS FOR THE MONTH ENDING MARCH 31, 2014.	APPROVED 3-0
5D:	CONSIDER AND TAKE ACTION ON PAY ESTIMATE NO. 2 FOR LIFT STATION PROJECT FOR SPRAY FIELD #1.	APPROVED 3-0
5E:	CONSIDER AND TAKE ACTION ON PAY ESTIMATE #3 FOR RO CONCENTRATE POND IMPROVEMENS.	APPROVED 3-0
6:	CONSIDER AND TAKE ACTION ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACTIVITIES OF THE DISTRICT.	APPROVED 3-0
7:	CONSIDER AND TAKE ACTION, ON MANAGEMENT REPORT RELATING TO MANAGEMENT AND OPERATIONAL ACITIVITIES OF SPRAY FIELD NO 1. (MANAGEMENT)	APPROVED 3-0
08:	CONSIDER AND TAKE ACTION ON PURCHASE OF STORAGE CONTAINER FOR R.O. PLANT.	APPROVED 3-0
09:	CONSIDER AND TAKE ACTION ON I-10 WELL 7 REPAIRS.	APPROVED 3-0
10:	CONSIDER AND TAKE ACTION ON CHANGE ORDER #2 FOR SPARY FIELD NO. 1 LIFT STATION AND FORCE MAIN IMPROVEMENTS. (ENGINEERING CONSULTANT)	APPROVED 3-0
11:	CONSIDER AND TAKE ACTION ON CHANGE ORDER #2 CONCENTRATE EVAPORATION POND IMPROVEMENTS. (ENGINEERING CONSULTANT)	APPROVED 3-0
12:	CONSIDER AND TAKE ACTION ON THE ENGINEERING REPORT RELATING TO CONSTRUCTION AND ENGINEERING ACTIVITIES OF THE DISTRICT. (ENGINEERING CONSULTANT)	APPROVED 3-0
13:	CONSIDER AND TAKE ACTION ON A RESOLUTION REQUESTING AND EXTENSION OF TIME TO SELL BONDS.	APPROVED 3-0
14:	CONSIDER AND TAKE ACTION ON ADVERTISING FOR THE GOLF COURSE.	N/A
15:	CONSIDER AND TAKE ACTION ON PURCHASE OF CONTROLLERS FOR IRRIGATION SYSTEM FOR SPRAY FIELD #1.	APPROVED 3-0
16:	CONSIDER AND TAKE ACTION, IF NECESSARY, RELATING TO THE LEASE WITH MOONLIGHT P&Q, LLC.	N/A
17:	REPORTS AND DISCUSSION OF OTHER MATTERS THEY MAY COME BEFORE THE BOARD	N/A

